

Marshall County, Indiana
2007 Pay 2008 Budget Order

An analysis of the data with the 2007 Pay 2008 Budget Order for Marshall County shows that the budgets, levies and tax rates to be approved are in compliance with Indiana statutes.

Marshall County has four cross-county units. Marshall is the major county for Union North United School Corporation, Triton School Corporation, and Culver Community School Corporation. Union North United Schools crosses into St. Joseph County, Triton Schools crosses into Kosciusko County, and Culver Community Schools crosses into Starke, Pulaski, and Fulton Counties. Marshall is the minor county for John Glenn Schools, which originates in St. Joseph County.

Marshall County has no conservancy districts.

Changes in Local Tax Levies

Tax levy increases are made up of routine increases in controlled levies, increases in tax rate controlled levies and debt service levies. Controlled levies increase based on an annual growth factor or excess levy appeals. Tax rate controlled levies increase based on increases in assessed value applied to a specific tax rate (tax rates are adjusted downward to eliminate the effect of reassessment or trending).

The total net increase in tax levy for Pay 2008 on a county-wide basis was approximately \$2.7 million or 4.85%. Following are the levy changes that were greater than \$1 million or a 10% change over the previous year levy. The largest total dollar increases in levies were due to the County Unit (\$1,751,043) and Bremen Public School Corporation (\$410,248).

Marshall County

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$4,845,750	\$4,973,177	\$127,427	2.63%
Children's Psychiatric Res Treatment	200,407	234,481	34,074	17.00%

Marshall County Welfare

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Welfare – Family and Children	\$2,420,30	\$3,920,740	\$1,500,434	61.99%

Total County levy increased by \$1,751,043 or 18.51%. Welfare and Children's Psychiatric levies increased to meet needs.

Jackson Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$99,021	\$140,172	\$41,151	41.56%

Total Township levy increased \$30,316 or 7.43%. General fund levied up to max for 2008.

Polk Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Fire Equipment Debt	\$-0-	\$46,800	\$46,800	-%

Total Township levy increase of \$52,602 or 36.10%. Fire equipment debt issued by Township for 2008.

West Township

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
Cumulative Fund	\$33,006	\$67,072	\$34,066	103.21%

Total Township levy increase of \$39,503 or 20.60%. Township levied up to max rate for Cumulative Fund for 2008.

Plymouth Civil City

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$2,999,356	\$2,487,456	-\$511,900	-17.07%
Aviation/ Airport	-0-	486,172	486,172	-%

Total City levy increase of \$255,000 or 5.28%.

Bremen Public School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$2,823,689	\$3,137,383	\$313,694	11.11%
Capital Projects	964,261	1,156,650	192,389	19.95%

Total School levy increase of \$410,248 or 7.13%. General Fund increase offset by decreases in other funds. Capital Projects levied up to max in 2008.

John Glenn School Corporation

<u>Fund</u>	<u>Pay 2007 Certified Levy</u>	<u>Pay 2008 Certified Levy</u>	<u>\$ Change</u>	<u>% Change</u>
General	\$792,960	\$842,405	\$49,445	6.24%
Debt Service	609,665	502,911	-106,754	-17.51%
Capital Projects	442,454	196,791	-245,663	-55.52%

Total School levy decrease of \$304,824 or 14.58%.

No units in the County exceeded the working maximum levy. All units in the County levied up to or near their working maximum levy.

No units in the County exceeded the normal statutory growth rate for controlled fund levies.

Changes in Real Property Gross Assessed Values

Real Property Gross Assessed Values increases by property class are as follows.

<u>Class</u>	<u>% Increase</u>
Agriculture	14.60%
Industrial	3.10%
Commercial	19.15%
Residential	4.83%
Exempt	8.22%
Utility	12.50%

Changes in the proportion of Gross Assessed Value by Class can create a burden shift from one class to another. The proportion (mix) of values of real property by class (this can represent the relative tax burden by class, except that it does not include the impact of deductions or credits).

<u>Class</u>	<u>2007 Ratio</u>	<u>2008 Ratio</u>
Agriculture	19.61%	20.77%
Industrial	7.05%	6.71%
Commercial	9.56%	10.53%
Residential	57.73%	55.92%
Exempt	5.79%	5.79%
Utility	0.26%	0.27%

As can be seen from the analysis, a shift from residential and industrial property to agricultural and commercial property occurred. This shift was approximately 2.13%.

Change in Net Tax Rates

Changes in net tax rate by district were as follows.

<u>District</u>	<u>Change in NAV</u>	<u>Change in Levy</u>	<u>Change in Gross Tax Rate</u>	<u>Change in Business Personal Property Net Tax Rate</u>	<u>Change in Real Estate and Other Personal Property Net Tax Rate</u>	<u>Change in Homestead Net Tax Rate</u>
BOURBON TOWNSHIP	15.62%	7.35%	-7.15%	6.08%	-8.09%	-23.46%
BOURBON (BOURBON)	1.87%	-3.92%	-5.68%	6.09%	-5.36%	-23.90%
GERMAN TOWNSHIP	7.73%	8.91%	1.09%	5.30%	4.24%	-9.08%
BREMEN (GERMAN)	8.73%	2.29%	-5.92%	0.68%	-4.68%	-20.20%
GREEN TOWNSHIP	8.18%	8.02%	-0.15%	-1.98%	3.34%	-7.57%
ARGOS-GREEN	-8.29%	-5.58%	2.96%	5.60%	6.62%	-9.44%
NORTH TOWNSHIP	5.95%	4.21%	-1.64%	5.16%	-0.72%	-15.76%

LAPAZ (NORTH)	3.94%	1.05%	-2.77%	3.23%	-1.71%	-17.18%
POLK TOWNSHIP	6.53%	-6.30%	-12.04%	5.54%	-13.39%	-25.82%
TIPPECANOE TOWNSHIP	4.57%	-1.80%	-6.10%	-1.25%	-6.83%	-22.10%
UNION TOWNSHIP	-1.85%	5.78%	7.77%	0.91%	12.39%	-1.57%
CULVER (UNION)	5.75%	10.51%	4.51%	1.68%	8.30%	-7.98%
WALNUT TOWNSHIP	18.15%	17.56%	-0.51%	3.11%	2.93%	-7.90%
ARGOS-WALNUT	0.44%	3.32%	2.87%	5.66%	6.52%	-9.53%
WEST TOWNSHIP	11.20%	8.57%	-2.37%	0.85%	1.40%	-10.46%
CENTER TOWNSHIP	12.14%	8.80%	-2.98%	-0.98%	0.46%	-11.24%
PLYMOUTH (CENTER)	5.29%	3.40%	-1.79%	14.52%	1.56%	-14.29%
PLY-WEST	1.42%	-0.45%	-1.84%	6.36%	1.54%	-14.41%
Average	6.12%	4.85%	-1.91%	-0.51%	0.39%	-14.31%

Downward pressure on tax rates came from increases in Assessed Value due to trending and the increased Homestead Credit rate. Upward pressure on tax rates came from increases in tax levies, especially debt, cumulative, and Welfare levies that don't benefit from PTRC.

The estimated reduction in net homestead tax bills for Marshall County is 30.27%.

Assessment Status

The DLGF has prepared an analysis of assessed valuation change by property class based on a review of parcel data. The results of this analysis are summarized in the table below:

Property Class	Percent of Parcels with Identified Assessed Valuation Change					
	<u>Decrease</u>	<u>No Change</u>	<u>0 – 10% Increase</u>	<u>10 – 30% Increase</u>	<u>30 – 100% Increase</u>	<u>More Than Doubled</u>
Commercial	1.2%	3.2%	43.6%	43.0%	5.3%	3.8%
Industrial	24.8%	5.3%	61.5%	6.7%	1.4%	0.2%
Residential	11.3%	11.6%	62.4%	12.5%	1.4%	0.9%
Overall	8.3%	8.5%	51.3%	27.1%	3.7%	1.0%

TIF Neutralization Worksheets

The County has several Tax Increment Areas. A Tax Increment Financing (TIF) Neutralization Worksheet must be completed for each TIF District in order to calculate tax increment generated by real property growth rather than increases in assessed valuation due to reassessment or trending. The TIF Neutralization Worksheets were reviewed for both numerical accuracy and for logical analysis and completeness.